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FIFTY-FIRST SESSION

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FIFTH COMMITTEE
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New York

SUMMARY RECORD OF THE 50th MEETING

Chairman:	Mr. SENGWE	(Zimbabwe)
later:	Mr. ALOM (Vice-Chairman)	(Bangladesh)
later:	Mr. SENGWE (Chairman)	(Zimbabwe)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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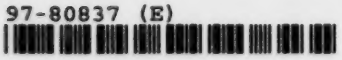

The meeting was called to order at 3.10 p.m.

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AGENDA ITEM 140: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACEKEEPING OPERATIONS (continued)

(a) FINANCING OF THE UNITED NATIONS PEACEKEEPING OPERATIONS (continued)

Gratis personnel provided by Governments and other entities (continued)
(A/51/688 and Corr.1 and A/51/813)

1. Mr. MENKVELD (Netherlands), speaking on behalf the European Union and the associate countries of Bulgaria, Cyprus, the Czech Republic, Hungary, Latvia, Lithuania, Norway, Romania and Slovakia, said that voluntary contributions in cash, in kind and in the form of services, including the secondment of personnel, were made in the context of the specific needs of the Organization and generally in response to requests by the General Assembly. Recourse to gratis personnel had received encouragement and approval in several General Assembly resolutions. The Secretary-General, as Chief Administrative Officer of the Organization, had the authority to accept voluntary contributions. He was required to administer those contributions in accordance with the Financial Regulations and Rules of the Organization and the procedures laid down in a number of General Assembly resolutions.

2. The European Union welcomed the opportunity to discuss the various aspects relating to the provision of gratis personnel by Member States and other entities. As was the case with other forms of voluntary contributions, proper policies and procedures governing the acceptance of gratis personnel, as well as a consistent application of such policies and procedures, were required. That had not always been the case, as the General Assembly had recognized in requesting the Secretary-General to submit information on the various aspects relating to the provision of gratis personnel to the Department of Peacekeeping Operations (DPKO) and the international tribunals for the former Yugoslavia and Rwanda. Furthermore, the Advisory Committee had recommended the General Assembly, in its reports on the budgets of the two international tribunals to review the support costs surcharge policy and its application.

3. The European Union supported the approach proposed by the Secretary-General not only to address the provision of gratis personnel to DPKO and the tribunals, but also to address the various aspects in a comprehensive manner. Such an approach would facilitate the work of the Fifth Committee.

4. The information in the report of the Secretary-General on gratis personnel, their different categories, their number and their distribution among the offices and departments of the Secretariat as at 31 October 1996 and their contractual status, was very useful. The same could be said for the information on the programme support costs surcharge policy and its application.

5. It was clear that the discussion should focus, as the Advisory Committee had recommended, on proper policies and guidelines for non-traditional gratis personnel, since fairly well established policies and practices already existed for the traditional type of gratis personnel such as United Nations associate experts, United Nations technical cooperation experts and participants in the United Nations internship programme.

6. From annex III to the report of the Secretary-General, his delegation had noted that the number of non-traditional gratis personnel totalled 442 as at 31 October 1996. While that number appeared substantial in relation to the total number of established posts financed out of assessed contributions, special circumstances played an important role and should be taken into account.

7. First of all, out of the total of 442, 112 personnel were provided to UNSCOM, the United Nations Special Commission established by the Security Council to oversee the elimination of Iraq's weapons of mass destruction. Gratis military officers and other personnel had been provided to UNSCOM by 16 Member States. Programme support costs had been met from the Commission's resources.

8. In addition, 87 personnel had been provided to the international tribunals for the former Yugoslavia and Rwanda. The Advisory Committee had pointed out that delays in recruitment to fill established posts had affected the start-up and follow-up phases of both tribunals. The Secretary-General's reports on the tribunals contained information on the use of voluntary contributions in cash and in kind and the activities performed by the seconded staff members. It also mentioned that without the assistance provided by the seconded investigators and lawyers, the results already achieved by the Office of the Prosecutor would not have been possible.

9. In resolution 49/242 B the General Assembly had requested the Secretary-General to issue specific guidelines on the requirements for receipt of contributions and application of funds for the International Tribunal for the former Yugoslavia and to include in future budget presentations information on voluntary contributions in cash and kind and to indicate where they had been assigned. The General Assembly had reaffirmed that the acceptance of voluntary financial, in-kind or personnel contributions, must be consistent with the need to ensure the impartiality and independence of the International Tribunal and that such contributions should be considered supplementary to assessed contributions.

10. In some cases the programme support cost surcharge had been levied on the donor Governments or other entities providing gratis personnel and in other cases such costs had been charged to Trust Funds.

11. Furthermore, 141 personnel, mainly military officers, had been provided to DPKO. As the Advisory Committee recalled in its report, resolutions 45/258, 47/71 and 49/250 had encouraged the Secretary-General to invite Member States to provide personnel, on a non-reimbursable basis, to fill peacekeeping backstopping positions and to assist the Secretariat in the planning and management of peacekeeping operations. Due to the different funding mechanism for assessed contributions involved, by which he meant the regular budget and the support account, as well as the support account funding formula in the years up to 1996, there was no consolidated staffing table for implementing all mandated activities entrusted to DPKO and related sections of the Department of Administration and Management (DAM) and other departments of the Secretariat. In resolution 50/221 B, the General Assembly had requested the Secretary-General, in preparing his report on the support account for the period from 1 July 1997 to 30 June 1998, to submit a comprehensive proposal on the total requirements for human resources from all sources of funding for the backstopp ng of peacekeeping operations, including posts financed from the regular budget, trust funds, officers on loan from Member States and other voluntary contributions during that period. Without such information no decision affecting the staffing and structure of DPKO could be made. The European Union wished to know when the report on the support account would be issued.

12. Finally, 64 personnel had been provided to the Department of Humanitarian Affairs (DHA). Resolution 47/168 had requested the Secretary-General to continue to examine all ways and means of providing adequate personnel to DHA, if necessary through the secondment of national humanitarian disaster relief experts. Those experts' contractual relationship with the Organization was based on special service agreements and memorandums of agreement between the United Nations and the donor Governments. Furthermore, programme support costs were levied on donor governments, either directly or indirectly through trust funds.

13. A breakdown of the total number of non-traditional gratis personnel demonstrated that, in almost all cases, special circumstances and requests by the General Assembly had formed the basis for acceptance by the Secretary-General of the personnel in question. The purpose of the present consultations was to provide further and clearer guidance to the Secretary-General on how to deal with those special circumstances, which would not necessarily change as a result of adoption of new procedures and practices.

14. In that context the European Union appreciated the intention of the Secretary-General to establish a uniform policy, clarifying in a consistent way the status, accountability and responsibility of all types of gratis personnel. However, the recommendations contained in his report did not take account of the special circumstances which his delegation had just outlined. The Secretary-General had recommended the acceptance of gratis personnel only on an exceptional and interim basis, to carry out specialized functions in very specific cases. He had further recommended that gratis personnel could not

involve, directly or indirectly, additional financial liabilities for the Organization. The European Union endorsed the view of the Advisory Committee that the Secretary-General's proposals did not address the various aspects of gratis personnel in a comprehensive manner. His proposals were too limited and unnecessarily restrictive with a view to establishing a policy which was not only uniform, but also workable and which took account of the valuable contribution being made by gratis personnel.

15. First of all, it was necessary to make a distinction between mandated programmes and activities as formulated in the regular budget, the budgets of the tribunals and the peacekeeping operations support account budget as opposed to supplementary activities. In the case of supplementary activities, conditions and procedures for acceptance of gratis personnel did exist to a large extent. It would, however, be appropriate to ensure that the conditions and procedures for United Nations associate experts and technical cooperation experts were extended to all gratis personnel in that category. For that type of voluntary contribution, donor Governments and other entities should be charged appropriate programme support costs.

16. Secondly, it was necessary to make a distinction between, on the one hand, mandated programmes and activities for which there were budgeted resources and staffing were provided, and, on the other hand, mandated programmes and activities for which that was not the case. DPKO clearly fell into the latter category, at least until its resources had been agreed by the General Assembly on the basis of full-cost budget proposals. In the case of mandated (but not budgeted) programmes and activities, there was a need for a separate approach to gratis personnel and the application of the support costs charge. The necessary budgets, on a full-cost basis, should be presented as soon as possible. Programme support costs should not be charged for fulfilling tasks that had been mandated but not yet budgeted.

17. There was also the situation, as outlined in paragraphs 13, 14 and 15 of the report of the Advisory Committee, in which the Organization was unable to recruit expeditiously for established posts owing to the lack of required expertise, or in the start-up phase of new or extended mandated activities. In the interim period and during the recruitment process, the services of gratis personnel, if available, would benefit the Organization. The international tribunals and the Office of Internal Oversight Services (OIOS) provided good examples. In such circumstances, programme support costs were obviously not required and voluntary contributions of that kind should be reflected in the budgets and performance reports.

18. The European Union did not agree with the suggestion in paragraph 19 of the Advisory Committee's report to limit the extent to which a particular unit could be staffed by gratis personnel. Some units, such as UNSCOM and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), depended fully or to a large extent on personnel financed from extrabudgetary resources, and should continue to be able to do so. Furthermore, his delegation would welcome clarification regarding the recommendation in paragraph 10 of the Advisory Committee's report that non-traditional gratis personnel should not be accepted in excess of the needs of the Organization.

19. Taking all of those considerations into account, the European Union concurred with the recommendation of the Advisory Committee that the guidelines for the future acceptance of gratis personnel, which were set out in annex I of the report of the Secretary-General, should be redrafted and then submitted to the General Assembly through the Advisory Committee.

20. The European Union shared the view of the Advisory Committee that the Secretary-General should be requested to report annually, in a comprehensive manner, on the use of gratis personnel.

21. The Advisory Committee had recommended the General Assembly to review the support cost surcharge policy and its application. The introduction of a uniform rate in 1980 was favoured by a number of Member States not eager to pay for indirect costs related to supplementary development cooperation activities financed on a voluntary basis by certain Member States. In its report A/35/544 of 31 October 1980, the Advisory Committee had recommended that the General Assembly should introduce a uniform agency support costs charge at the rate of 13 per cent of annual project expenditures. The General Assembly subsequently approved that formula for services financed from extrabudgetary resources.

22. The European Union endorsed the concept that budgeted activities should not subsidize supplementary activities, or vice versa. However, the support costs charge had not been applied in a consistent manner. In some cases it had been waived, in total or in part, sometimes on the initiative of the Secretariat and on other occasions upon specific requests from donor Governments.

23. Upon establishment of distinct categories of gratis personnel, levying a programme-costs charge in a consistent and non-controversial manner should be possible. Appropriate support costs should be levied in the case of supplementary activities and should not be levied in the case of mandated activities, where voluntary contributions implied a reduction of budgets or a reduction in expenditure levels to be reported in performance reports.

24. In the case of the support costs charge, a uniform level had been set at 13 per cent in 1980 in circumstances very different to those at present. The European Union firmly believed that a review of the level and methodology of the support costs charge was necessary, as well as an analysis of whether the charge should continue to apply for all voluntary contributions. The European Union therefore requested the Secretary-General to review the various aspects of such a charge and to report thereon to the General Assembly through the Advisory Committee.

25. The European Union was ready to participate actively in the informal consultations on the various aspects of gratis personnel, including issues relating to the support costs charge. His delegation hoped that consultations would, on the basis of redrafted guidelines and the review of the support costs charge, result in a clear and workable policy, acceptable to all Member States, while ensuring the possibility of supplementing the assessed resources of the Organization with voluntary contributions in cash, in kind or in the form of services, including gratis personnel.

26. Mr. MWAKAWAGO (United Republic of Tanzania), speaking on behalf of the Group of 77 and China, said that his delegation did not intend to question the integrity of the numerous men and women who had offered their services to the United Nations as gratis personnel. Nor did it intend to question the motives of Governments which had come forward and offered personnel to assist the Organization. The Group of 77 and China had misgivings not about individuals but about the current system. It was a system that had gradually been imposed on the United Nations, a system which, if not corrected quickly, might be the beginning of the end of the international character and culture of the Organization. The Group of 77 and China was also concerned about expenditure incurred from the regular budget for the use of gratis personnel without approval by the General Assembly.

27. The Group of 77 and China did not object to the use of the type I personnel. His delegation agreed with the Secretariat and the Advisory Committee that loaned personnel traditionally assigned to technical cooperation and extrabudgetary activities did not appear to have caused much concern. As stated by the Secretariat, policies and practices concerning those personnel were well defined and need not be questioned.

28. However, the large number of type II personnel had given rise to significant concerns. That type of personnel had increased in recent years for the reasons indicated in the report of the Secretary-General, namely the need to secure special expertise not available in the Secretariat and the lack of adequate resources to implement operations that the Security Council and the General Assembly had authorized. Lack of proper operational planning and the haste with which some activities were approved had also led to the current situation. The issue of resources was critical. It was alarming to learn that unless adequate resources were provided, there was no option but to seek gratis personnel. If Member States agreed that operations were to be funded either on a voluntary or an assessed basis, it was incumbent on them to pay in the agreed manner. It was unacceptable to approve mandates without providing adequate resources. Of more concern was the attitude of certain countries which exerted the strongest pressure to reduce the resources and programmes of the United Nations while supporting recourse to gratis personnel and finding little wrong with the system.

29. The Secretary-General's report had confirmed his delegation's worst fears. Developing countries had been virtually excluded from participation in the exercise of offering gratis personnel because the system was skewed against them. It was a system that implied that those with adequate resources to fund the expenses of gratis personnel in New York, for example, could invite whomever they chose. It was ironic that developing countries, which, as a whole, had contributed thousands of troops to peacekeeping operations and were owed millions of dollars by the United Nations, were incapable of producing individuals to perform such services as investigation and military planning.

30. Of the 63 gratis positions for the international tribunals for the former Yugoslavia and Rwanda, only one solitary P-3 came from a country of the 132 members of the Group of 77 and China. Of the total of 34 countries providing gratis personnel to DPKO, only 13 countries were members of the Group of 77 and China. But those 13 countries provided only 32 positions out of the 125

positions reported, and of those 32 positions, only two had contracts lasting beyond two years.

31. The system must be changed and changed quickly. The playing field had to be levelled. Consideration should be given to the proposal put forward in the Special Committee on Peacekeeping Operations and by the Advisory Committee in its current report. The Group of 77 and China strongly believed that the use of gratis personnel must be approved by the General Assembly in all situations.

32. Some countries would probably object to a system of funding positions that were currently occupied by gratis personnel, but their arguments were unconvincing. His delegation challenged them to explain how in the past the Organization had budgeted for more than 70,000 United Nations troops. In the former Yugoslavia, the United Nations had budgeted for slightly less then 60,000 troops and for civilian personnel numbering more than 5,000. In 1997 the projected peacekeeping budget would total some $1.2 billion. It did not seem too much to ask that the cost and manner of procuring the services of about 443 gratis personnel should be more transparent and fair.

33. The report of the Secretary-General also raised the question of accountability of gratis personnel and the need to abide by Charter requirements concerning high standards of integrity in the performance of duties. It was legitimate to ask why the Secretariat had not insisted on the observation of the requirements for accountability. The gratis personnel in question worked in the Secretariat and many of them performed ordinary functions which, but for the lack of adequate resources, should be performed by staff members. A peculiar situation existed in which individuals who worked under the Secretary-General and who were often in charge of Secretariat units were not clearly and fully accountable to the Secretary-General. It was not clear why the Secretariat had not insisted, just as it had done in respect of the payment of support costs, that each gratis individual must sign an individual contract with the Secretary-General. Moreover, the behaviour of the Secretariat had actually contributed to the further erosion of the international character of the Organization. Senior officials, perhaps driven by necessity or expediency, had either proposed or taken measures which compromised the unique international character of the international civil service.

34. A related issue was the role given to some gratis personnel in the Secretariat. In some cases, gratis personnel had represented the Secretary-General and consulted with Member States as if they had been ordinary staff members. If they were not accountable to the Secretary-General, his delegation could not understand on what basis they were being asked to represent the Chief Administrative Officer of the Organization in relations with Member States. Yet more disturbing were instances in which employment in the Organization had been given to certain individuals who had first come to the United Nations as gratis personnel. In some cases the proper recruitment procedures of the United Nations had been subverted, often with the support of certain United Nations officials and the countries of which such individuals were nationals.

35. It was unacceptable to employ gratis personnel when many staff members had been told they were redundant. It was unjust to involuntarily separate staff

members who had served with distinction and dedication over the years while pressure was being exerted to take on gratis personnel.

36. The Group of 77 and China was deeply concerned over efforts to reduce the number of personnel with long-term contracts and replace them with individuals serving for shorter periods. Such a development would surely lead to a system not unlike that of the present gratis personnel, a system in which individuals owed allegiance not to the United Nations but to their own Governments. It was true that certain United Nations operations were ideally suited to short-term contracting, and short-term contracts could help to enrich the Organization with new talent. However, the extensive and almost indiscriminate outsourcing of United Nations operations advocated in certain quarters would certainly lead to the same kind of abuses stemming from the present gratis personnel system. Such a system was obviously undemocratic because it favoured those countries with the capacity to release for a short period of time certain of their citizens for limited service with the United Nations before those individuals return to their home countries to pursue their careers.

37. The Group of 77 and China insisted that a fair, equitable, and transparent system must be established so that all countries should have the opportunity to participate in providing the expertise now provided by gratis personnel. The debate on gratis personnel had generated such a large amount of concern because it involved much deeper matters of principle. There was deep disquiet among a large number of Member States regarding what was perceived as an attempt to destroy the uniquely international character of the Organization. Suspicion only deepened when, for example, decisions of the General Assembly were not implemented in the manner agreed upon after long periods of negotiation among all Member States. Long-standing established procedures adopted by the General Assembly, often by consensus, had been ignored or distorted by certain senior officials of the Secretariat simply because powerful countries had pressured them to act differently.

38. Finally, if the present system of gratis personnel was to be regarded as another example of how to reform the United Nations, then it should be clearly stated that such a system had no legitimacy and must be changed. It was unacceptable simply to argue that gratis personnel had been requested by the General Assembly.

39. Mr. KAMAL (Pakistan) said that his delegation was keen to maintain the international character of the United Nations by signalling its disquiet over the growing role of gratis personnel.

40. Articles 97, 100 and 101 of the Charter of the United Nations did not envisage any "loan" or "gratis" category of United Nations personnel. There were some references to the use of gratis personnel in a few General Assembly resolutions, but even those were rather vague and devoid of specific terms and conditions. The Advisory Committee had also pointed out that gratis personnel had been accepted in the Secretariat in some areas not specifically mentioned in any General Assembly resolution.

41. The issue of gratis personnel in the United Nations had now assumed alarming proportions. It was not only adversely affecting the geographical

balance in the Secretariat to the detriment of the developing countries; it was also having far-reaching political implications. The preponderance of gratis personnel in certain departments of the Secretariat made it amply clear that in some cases the responsibilities of those departments had been subcontracted to a handful of Member States. DPKO was a case in point, where 125 of 143 military personnel were on loan. The unsatisfactory situation in DPKO should be a concern to all Member States. On previous occasions he had asked the Secretariat to indicate when it would be in a position to reply to specific questions raised by his delegation on that matter, but clear answers had, regrettably, not been received.

42. The Secretary-General's report raised several serious questions instead of giving answers to a number of critical issues. For example, it emerged from the report that gratis personnel remained, for the most part, staff of their individual Governments rather than staff members of the Organization. Hence they were not subject to Article 100 of the Charter and the Staff Regulations, nor were they accountable to the Secretary-General and subject to geographical distribution. If such an arrangement was given legal recognition by default, it would be impossible to maintain the international, impartial and independent character of the international civil service, which was one of the cardinal principles enshrined in the Charter.

43. The Secretary-General's report further stated that gratis personnel performed non-traditional jobs for which expertise was not readily available in the Secretariat. No satisfactory explanation had yet been provided on the nature of those specialized tasks. His delegation failed to understand what specialization was required to work in the Field Administration and Logistics Division in DPKO, where 56 out of 56 personnel were on loan. In the Procurement and Transportation Division, some gratis personnel had stayed for more than two years. The report of the Board of Auditors had pointed out a number of irregularities in that important Division, a state of affairs which called for immediate action.

44. Similarly, there was no justification for gratis personnel at senior levels in DAM or OIOS. His delegation felt strongly that those and other important and sensitive areas should be staffed by United Nations professionals only, who were subject to Article 101 of the Charter and met the highest standards of efficiency, competence and integrity.

45. In accordance with the Financial Rules and Regulations of the United Nations, the General Assembly's approval was required to meet any financial liability involving voluntary contributions. His delegation had noted from the Secretary-General's report that 33 per cent of the cost of gratis military officers was being borne by the Organization. The estimated annual cost of administrative backstopping of such personnel charged to the United Nations budget was $1.58 million on a one-time basis and $2.21 million on a recurrent basis. The Advisory Committee had pointed out that the Secretary-General had not complied fully with the requirements of financial regulation 7.2 with respect to the implications for the Organization of acceptance of gratis personnel. Such irregular expenditure should be a matter of concern to all delegations; it certainly was to his.

46. The Secretary-General's report also made the astounding revelation that Member States providing personnel on loan, when approached by the Secretariat to submit candidates for recruitment against vacant posts as United Nations staff, had indicated their preference to contribute gratis personnel. That tendency raised serious questions about the real motives behind the contribution of gratis personnel.

47. Basically, the need for gratis personnel had arisen because of the United Nations financial crisis. The acceptance of personnel on loan could at best be considered as an ad hoc measure and not a permanent solution. The continued presence of gratis personnel could only exacerbate the situation. If Member States were to fulfil their legal obligations under the Charter to pay their assessed contributions, there would be no need for such personnel. It was rather intriguing that some Member States were eager to make voluntary contributions but less forthcoming in fulfilling their legal obligations.

48. In order to find a practicable and lasting solution to the issue of gratis personnel, his delegation proposed that such individuals should not be accepted for service at Headquarters, even on an exceptional basis. The Secretariat's job should be performed by international civil servants subject to the Charter, the Staff Regulations and the authority of the Secretary-General, not to their Governments. The present gratis personnel in the Secretariat should be expeditiously phased out. In exceptional circumstances where required expertise was not available in the Organization, gratis personnel could be accepted for assignments in the field only. Such assignments should be for a limited and specified period. The process should be fully transparent and subject to the approval of the General Assembly. Quarterly statistics on the use of gratis personnel in the Organization should be provided to Member States, and the Secretariat should submit annual reports to the General Assembly covering all aspects of the use of gratis personnel. Finally, trust funds should be created to enable the Secretary-General to recruit United Nations personnel in accordance with established practice.

49. Mr. INDERFURTH (United States of America) said that his delegation could not support many of the recommendations on the use of voluntarily contributed personnel, as contained in the reports before the Committee. Gratis personnel provided expertise not available in the Secretariat and made it possible to deal with urgent needs in non-traditional areas of activity. Staff members of the Department of Peacekeeping Operations had commented on the quality and professionalism of the gratis military officers assigned there and on the expertise which only experienced, currently serving military officers could provide. The United States provided significant numbers of gratis personnel, particularly in the area of peacekeeping, reflecting the importance it placed on ensuring that United Nations missions were accomplished efficiently and effectively. His Government was glad to be able to provide the necessary expertise when needed.

50. The issue of gratis personnel should not be a dispute between North and South, between developed and developing countries. It was of importance to all that the planning and execution of missions should be carried out in the most professional and effective manner possible. It was in the interest of all Member States that the outstanding contribution of gratis personnel be continued

in the areas where their expertise was needed. At the same time, his delegation understood the importance of an independent international civil service and of broad geographical representation. The trust fund for the rapidly deployable mission headquarters was one example of a solution for situations requiring personnel with specific expertise; such a solution strengthened the ability of the United Nations to respond expeditiously and efficiently to a crisis.

51. His delegation would be unable to join a consensus on a resolution based on the recommendations of the Advisory Committee. With regard to the latter's proposal on budgeting and assessing posts currently encumbered by gratis personnel, his delegation was not raising the issue simply to ensure that its assessment was not increased. His Government was concerned that that proposal could spell the end of gratis personnel.

52. His delegation was surprised and disappointed that the Advisory Committee had not provided detailed information on the financial implications of its proposal to fully fund the posts, or outlined its implications for Secretariat staffing levels. The Advisory Committee recommendation would add significantly more posts to the regular budget, and his delegation was concerned that the cost of budgeting and assessing could not be accomplished within the current budget ceiling. That outcome was unacceptable to his Government. The Secretariat should provide an estimate of the cost of filling the posts currently encumbered by gratis personnel, stating whether additional posts would have to be created in order to support newly assessed and budgeted posts. As to the recommendation that the posts concerned should be filled through the regular appointment process, his delegation feared that, had that process been followed, the posts would never have been filled in time and missions could have been in jeopardy.

53. Another aspect of the report of the Advisory Committee dealt with the 13 per cent administrative charge that the Organization had sometimes sought to impose on Member States providing gratis personnel. His delegation believed that it was unrealistic to charge Member States such additional fees for providing requested services at their own expense. Furthermore, the proper legal foundation for assessing such a fee did not currently exist with respect to "type II" personnel, and the recent ad hoc policy had been applied arbitrarily and could not be characterized as standard practice.

54. His Government recognized that there were anomalous situations where international civil servants reported to seconded or gratis personnel, and that the latter were not subject to the Staff Regulations and Staff Rules of the United Nations. Such situations could and should be corrected through proper human resources management. His delegation also agreed that some gratis personnel were serving in positions that could be occupied by regular personnel. His delegation understood that a study was currently being conducted to analyse which functions required military personnel; his Government encouraged such reviews for all sectors of the United Nations system where gratis personnel were used.

55. In working towards a policy for gratis personnel, his delegation's objectives would include: support for full budgeting for purposes of transparency, while distinguishing between full budgeting and assessment; support for the use of gratis personnel to augment the regular staff on an as-

needed basis and to provide expertise not readily available in the international civil service; requiring gratis personnel to be bound by staff rules and regulations governing issues of conduct, accountability and performance; and distinguishing between gratis personnel augmenting mandated activities and those not falling within that category. Overhead administrative charges should be the subject of a separate report of the Secretary-General for consideration by the General Assembly.

56. The capacity of the United Nations to accomplish its missions effectively and efficiently depended on the continued ability of Member States to make available to the Secretariat, on a short-term, gratis basis, personnel possessing the expertise which the Organization needed. The recommendations contained in the two reports could, in the view of his delegation, hamstring the United Nations when it needed to conduct emergency or other fast-moving or non-traditional missions. Seconded and gratis personnel had made significant contributions to the goals and ideals of the United Nations, and they had gained their own insight into the Organization which they had brought back to their own Governments upon completion of their assignments. The means was cost-effective and the results were outstanding.

57. Mr. SULAIMAN (Syrian Arab Republic) said that the issue of gratis personnel must be urgently addressed within a wider-ranging debate on the current financial crisis. Member States could not offer gratis personnel in lieu of financial contributions, eroding the capacity of the Organization to fulfil its responsibilities and undermining its very raison d'être. Such personnel were not subject to the provisions of Articles 100 and 101 of the Charter of the United Nations, nor were they governed by the Staff Regulations, making them accountable to the Secretary-General. The relevant General Assembly resolutions did not offer carte blanche for the use of such personnel throughout the Organization. Moreover, the fact that gratis personnel occupied senior positions, particularly in peacekeeping units, adversely affected the independent and international nature of United Nations activities.

58. Syria supported the recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions (A/51/813) with regard to the need for transparency in the budget for such positions, the need to retain the traditional manner of filling approved positions, and the use of gratis personnel only in the limited and exceptional circumstances outlined in the report.

59. States wishing to contribute gratis personnel should first discharge their financial obligations to the Organization, so that the Secretary-General would then arrange for the employment of experts from any country on the traditional basis of equitable geographical distribution.

60. Gratis personnel should not occupy regular-budget posts, nor should they be given sensitive assignments, but rather they should be used to assist the Organization's regular staff. The use of gratis personnel should be seen as an exceptional measure, otherwise a new category of staff with no loyalty whatsoever to the Organization would be permanently installed.

61. Mr. Alom (Bangladesh), Vice-Chairman, took the Chair.

62. Ms. RODRÍGUEZ ABASCAL (Cuba), expressing her delegation's support for the statement made by the representative of the United Republic of Tanzania on behalf of the Group of 77 and China, said that although acceptance of gratis personnel was a long-standing practice, there had been a serious departure from the rules which had originally governed that acceptance. That had led to a situation which was harmful for the Organization in that Articles 100 and 101 of the Charter had not been properly applied, the principle of equitable geographical distribution within the Secretariat had been ignored, and damage had been caused to the institutional memory of the Organization. Consequently, the Advisory Committee should have provided additional information regarding the current situation, so that delegations could have a clearer picture of the issue under consideration. Paragraph 10 of the report of the Secretary-General cited the current financial situation of the Organization as a reason for the indiscriminate acceptance of "type II" gratis personnel. Without disagreeing with that statement, her delegation considered that there were other reasons for the problem, which included the political interests of certain Member States and the pressure brought to bear by them in their desire to use gratis personnel as a means to infiltrate the Secretariat, influence its decisions, and obtain information in sensitive areas. The statement in paragraph 61 of the report of the Secretary-General that certain Governments, when requested to submit candidates for recruitment against vacant posts, had instead indicated that they preferred to contribute gratis personnel was conclusive evidence of the double standards consciously applied by those Governments, particularly in light of the fact that considerable numbers of gratis personnel were occupying key posts and carrying out activities of great political sensitivity within the Organization. The situation was made worse by the fact that gratis personnel were answerable not to the Secretary-General, but to their own Governments.

63. Her delegation supported the opinion expressed in paragraph 50 of the report of the Secretary-General that functions of supervision, regulation and of a policy nature should not be entrusted to gratis personnel, that they could not be assigned functions of a sensitive and confidential nature, and that they should not have signatory authority for official correspondence. Her delegation also supported the recommendation in paragraph 12 of the report of the Advisory Committee that all mandated activities should be fully budgeted. It was unacceptable that gratis personnel should be used to carry out activities which had not received appropriate budgetary support from Member States.

64. The Advisory Committee had described two categories of situations for acceptance of gratis personnel; her delegation supported the first but had serious doubts regarding the second, which would give the Secretary-General a free hand to continue using gratis personnel and would perpetuate the current situation on a reduced scale. The second category should be strictly regulated by the General Assembly, whose consent should be required for the acceptance of that type of personnel. Her delegation was concerned that paragraph 7.2 of the Financial Regulations and Rules of the United Nations had not been correctly applied, and regretted that the General Assembly had not been given information as to the number of such personnel and the associated costs. The 13 per cent charge was not excessive. It should be borne in mind that the use of gratis personnel benefited both the Organization and the donor State, since the latter acquired first-hand knowledge of the functioning of the Organization, and the individuals concerned received training, which also benefited the donor country.

Her delegation did not therefore share the opinions contained in paragraphs 16 and 17 of the Advisory Committee's report.

65. Cuba supported the conclusions and recommendations contained in the report of the Secretary-General, and concurred with the recommendations contained in paragraphs 18 to 22 of the Advisory Committee's report. The decision to be reached must be based on the essential criteria of transparency, accountability and impartiality of gratis personnel. The objective must be to strengthen the fundamental role of the General Assembly in the regulation and supervision of the use of such personnel.

66. Mr. HIDAYAT (Indonesia) said that his delegation supported the statement made by the representative of the United Republic of Tanzania on behalf of the Group of 77 and China.

67. If resources were insufficient, the Secretary-General should make proposals to the General Assembly for appropriate action, in accordance with the established procedure. His delegation shared the views of the Special Committee on Peacekeeping Operations that steps were needed to correct the imbalance between the numbers of military officers on loan and those recruited in accordance with established procedures. Special attention must be given to preserving the unique international character and accountability of the Secretariat in the performance of its functions. He welcomed the effort made by the Secretariat in presenting guidelines for the acceptance of gratis personnel. However, noting the recommendation of the Advisory Committee that the proposed guidelines should be redrafted, his delegation hoped that the Fifth Committee could discuss them thoroughly, and then request the Secretary-General to review them and submit them to the General Assembly through the Advisory Committee as soon as possible, to enable Member States to consider them again during the next resumed session of the General Assembly. His delegation concurred with the recommendation of the Advisory Committee that the Secretary-General should be requested to report annually on the use of gratis personnel. The Advisory Committee should be asked to examine the issue further in all of its aspects.

68. Ms. INCERA (Costa Rica) expressed the support of her delegation for the statement made by the representative of the United Republic of Tanzania on behalf of the Group of 77 and China. It was important to give thorough consideration to the subject of gratis personnel, in the light of recent irregularities in the acceptance of "type II" gratis personnel. Her delegation was particularly concerned at the negative impact of the continuance of that practice upon the institutional memory of the Organization and its independence. It was also a matter for concern that gratis personnel were not answerable to the Secretary-General or subject to Articles 100 and 101 of the Charter. There had been insufficient dialogue between the Secretariat and the Member States on the subject. There had been no consistency in the application of the 13 per cent administrative charge on donor States, and the acceptance of gratis personnel had been harmful to the principle of equitable geographical distribution. Such a distortion of the wishes of the General Assembly and even of the Charter of the United Nations must be dealt with as a matter of priority.

69. Her delegation fully supported the opinions contained in paragraph 11 of the report of the Advisory Committee; whenever the Secretariat submitted a

budget for new activities, it should give clear and full information as to the human and financial resources required for their implementation. Her delegation also supported the views contained in paragraph 13; however, the situation described in paragraph 14 should be of an entirely exceptional nature. She also supported the view that the approval of the General Assembly for the use of gratis personnel should be required in all cases. Her delegation also supported the proposal contained in paragraph 18.

70. Her delegation hoped that the draft resolution to be adopted would take account of the need to ensure complete transparency and independence in the actions of the Secretariat in response to mandates from Member States.

71. Mr. MIRMOHAMMAD (Islamic Republic of Iran) supported the statement which had been made on behalf of the Group of 77 and China, and said that his delegation was concerned that the current use of gratis military officers might distort the international character of the United Nations. At a time when many staff members, who represented the institutional memory of the Organization, were subject to involuntary separation, recourse to great numbers of gratis personnel was unjustifiable. It was unacceptable to put pressure on the Organization to make deep cuts in the numbers of personnel with long service in order to replace them with individuals provided for short periods. His delegation also objected to incurring expenditure under the regular budget for the use of gratis personnel without the approval of the General Assembly.

72. The costs and the manner of procuring the services of gratis personnel must be transparent and fair, and the personnel themselves must be accountable and impartial in the performance of their duties. The use of "type II" gratis personnel should be resorted to only on a temporary and exceptional basis. His delegation also endorsed the recommendation that the proposed guidelines for acceptance of gratis personnel should be redrafted.

73. Mr. HO (Singapore) said that the unprecedented increase in the number of gratis personnel in the Secretariat was a symptom of a problem, not its cause. The cause of the problem was the financial crisis, and restricting the use of gratis personnel would not solve the resource problem; it would only result in important work not being done. Most of the gratis personnel in the Department of Peacekeeping Operations, especially those in senior posts, were from developed countries; the participation of developing countries in the provision of gratis personnel should be increased. His delegation did not believe that there was a problem per se with allowing gratis personnel to hold senior posts, as long as they were accountable to the United Nations and not to their own Governments. All staff employed by the United Nations must be accountable to the Secretary-General.

74. His delegation supported the views of the Advisory Committee regarding the proposal for a 13 per cent surcharge on donor Governments. The figure of 13 per cent was clearly arbitrary. It was important to distinguish between extrabudgetary expenditure incurred strictly for the benefit of gratis personnel, and costs related to the performance of mandated and budgeted activities. It would be unacceptable to ask Member States to pay for costs which would have been incurred regardless of whether the work was performed by a regular United Nations staff member or a loaned official. There must be greater

fairness and transparency in the appointment of gratis personnel. It was unacceptable for only the biggest and most powerful Member States to be invited to provide such personnel to fill senior posts in the Secretariat.

75. A fair, equitable and transparent system must be established so that all countries could participate in the provision of gratis personnel. His delegation fully supported the recommendations of the Advisory Committee contained in paragraphs 11 to 14 of its report. The procedure for employing gratis personnel should be clarified and institutionalized. His delegation would caution against any attempt to put an abrupt halt to what was a useful practice for the Organization.

76. Mr. NOUR (Egypt) said that his delegation was very concerned about the considerable imbalance in the geographical distribution of type II gratis personnel. Moreover, such personnel were performing very sensitive functions in the Secretariat in areas such as internal oversight, peacekeeping operations and even in political affairs, functions which should not be assigned to non-Secretariat staff. His delegation was also concerned that the Secretary-General had not fully complied with the requirements of financial regulation 7.2 on the use of such personnel. The General Assembly must provide guidelines that would address the problems resulting from the increased use of gratis personnel in the Secretariat. Their functions must be carefully circumscribed, they must be held accountable and the financial implications of the use of such staff should be taken into account in the budget. The Secretary-General's guidelines for accepting gratis personnel were welcome but they should take into account the Advisory Committee's comments, including on issues such as the neutrality of the international civil service, respect for the Organization's financial regulations and the setting of maximum limits on the employment of such personnel. The objective was to achieve transparency, equitable geographical representation and equal opportunity for all Member States in providing such personnel. In that regard, he supported the idea of establishing a trust fund; rules could be agreed on the use of such a fund.

77. Mr. RIVA (Argentina) agreed that the Secretary-General sometimes had to use gratis personnel under special circumstances. The use of such personnel had been expanded from the traditional area of technical cooperation to other sectors such as military planning, logistical support for peacekeeping operations, disarmament, humanitarian assistance, internal oversight, economic and social research and administration and management. His country had provided, free of charge, people with expertise not available in the Secretariat, on the understanding that they would not replace, but would complement, regular Secretariat staff and would be used only for short periods and in exceptional circumstances.

78. In connection with the shortage of personnel in the Secretariat, which resulted from the increasingly grave financial situation of the Organization, Member States should provide the resources needed to enable the Secretariat to carry out its mandates. Such personnel should be subject to the provisions of the Charter and to the Staff Regulations and Staff Rules. The use of gratis personnel over long periods of time in the economic and social fields, internal oversight and procurement and other areas, would affect not only the impartiality and independence of the United Nations but also the international

nature of its activities and responsibilities. His delegation would support any measures to improve the recruitment process. Hiring the appropriate number of staff only for the period of time that their services were actually required would help to enhance effectiveness and combat bureaucracy. In that regard, he supported the Advisory Committee's recommendation that the Secretary-General should report annually on the use of gratis personnel, including details on their nationalities, duration of work and their functions. The Secretary-General should not use such personnel for posts kept vacant solely for financial reasons or accept type II gratis personnel over and above the requirements of the United Nations. With regard to the financial implications of accepting gratis personnel, his delegation believed that, in the final analysis, the use of such personnel resulted in a saving for the United Nations and therefore supported the recommendation made in paragraph 17 of the Advisory Committee's report.

79. The CHAIRMAN informed the Committee that he had received a communication from the President of the Coordinating Committee for International Staff Unions and Associations (CCISUA) requesting, on behalf of CCISUA, permission to address the Fifth Committee on the question of gratis personnel.

80. He took it that, pursuant to the provisions of General Assembly resolution 35/213 and in accordance with the Committee's practice, the Committee wished to invite the representative of CCISUA to make an oral statement at a subsequent meeting in connection with the question of gratis personnel.

81. It was so decided.

82. Mr. Sengwe (Zimbabwe) resumed the Chair.

AGENDA ITEM 112: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued) (A/49/98 and Corr.1 and Add.1 and 2, A/49/418, A/49/471 and Corr.1, A/49/633, A/50/16, A/51/124-E/1996/44, A/51/674 and A/51/686 and Add.1 and 2)

83. Mr. QUIJANO (Joint Inspection Unit), introducing the report of the Joint Inspection Unit entitled "Common services at United Nations Headquarters" (A/51/686), said that the report covered the United Nations and its affiliated programmes and funds, namely, the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF), the United Nations Population Fund (UNFPA) and the United Nations Office for Project Services. He outlined the methodology used and the list of services provided by the United Nations Secretariat to the affiliated programmes, noting that, with the exception of legal services and public information, all the services provided came under the Department of Administration and Management. The outcome of the inspection was positive and the inspectors had been impressed by the dedication and efforts of participating staff in responding to an ever-increasing workload and demand for services even as the number of staff was being reduced.

84. Paragraphs 15 to 44 contained the inspectors' comments on each office, paragraphs 69 to 72 the views expressed by the various organizations; in some cases such views had been incorporated into the text together with the relevant clarifications in paragraphs 73 and 74. That general description of the

situation was supplemented by recommendations, suggestions and comments on administrative and budgetary aspects, including reimbursement formulas as well as ways and means of improving such services, in particular, the advisability of establishing user-management committees empowered to deal with complaints by users and set standards for the efficient delivery of services.

85. The inspectors had tried to produce a report which was pragmatic and which offered specific objectives and general guidelines. Everyone agreed on the need for achieving economies of scale, reducing overall expenditure and eliminating duplication. The Secretary-General, in his comments on the report of the Joint Inspection Unit (A/51/686/Add.1), noted that the objectives proposed by the Joint Inspection Unit were in line with his strategy of enhancing the efficiency of administrative support structures throughout the Organization. Notwithstanding the Secretary-General's disagreement with some of the inspectors' views, they wished to highlight areas of agreement which might help to promote a new conceptual framework and a new attitude. In that regard, the proposal by UNICEF for a specific plan of action to expand services gradually, starting with two services as pilot projects to explore the possible advantages of private contracting, was in keeping with the Secretary-General's concern that the reform of services should be approached on a case-by-case basis with due regard to the specific circumstances of each service and to the priorities of both providers and users. That example was illustrative of the fact that some issues were feasible and could, following consultations among the secretariats seeking efficiencies, benefit their organizations and, ultimately, Member States.

86. It was the responsibility of the General Assembly to promote a policy which would strengthen common services and ensure that they were better utilized not only in New York but also in other locations as well. In order to create the positive attitude which could reinforce that policy and expand its scope, the General Assembly could include the question of common services in its ongoing programme of institutional reform and agree that common services should become an important component of the new management culture taking root in the United Nations. The Joint Inspection Unit trusted that the consultations on decisions to be adopted on agenda item 112 would include a request to the Secretary-General that, together with the organizations and funds operating in New York, he develop new approaches to strengthen and expand that field of activity.

87. Referring to the new headquarters cities of Bonn, The Hague and Montreal, he said that it was urgent to formulate, as soon as possible, a policy to coordinate the various services provided by the secretariats of the various United Nations bodies there in order to avoid any duplication. Specific measures should be adopted at the current session without delay. That could be done on a case-by-case basis, as suggested by the Secretary-General. What was important, however, was that attention should be focused on promoting measures to strengthen common action, which would undoubtedly result in savings and greater efficiency.

88. Mr. WOODWARD (Chairman of the Audit Operations Committee), introducing, on behalf of the Chairman of the United Nations Board of Auditors, the views of the Board of Auditors on improving oversight functions (A/49/471), said the Board considered that its role, scope, structure and composition should continue in

essence unchanged. In response to General Assembly resolution 48/216 D, the Board had suggested that Board members' term of office should be extended from three to six years and should expire in even years so as to align them with the work demands of biennial audits. As far as measures to improve the quality of external audit work were concerned, the Board, as part of its work within the Panel of External Auditors, had recently strengthened the common auditing standards to align them more closely with current best professional practice. In addition, it had updated its financial and management audit approaches, including substantial revision of its Audit Manual, to bring them into line with current best practice.

89. The Board wished to reassure the Committee that it was able to secure sufficient, suitably qualified staff to carry out the full range of audit activities. Its budget was based on planned, foreseeable work. Consequently, while confirming its willingness to provide the United Nations with additional audit services, as and when requested by the General Assembly, the Board stressed the need for a recognition of the resource implications of the increasing number of requests from the Assembly.

90. Primary responsibility for establishing systems to prevent or detect fraud rested with management. While there was a limit to what the Board could do to prevent or detect fraud, it did plan its audits in such a way as to detect material cases of fraud. In addition, the Board planned to intensify its scrutiny of cases reported to it by the Administration. To that end, the organizations concerned should be required to report to the Board at six-month intervals any cases of fraud or presumptive fraud.

91. The Board intended to strengthen its reporting on action taken by management to implement the Board's recommendations; accordingly, it would highlight in a separate section of its reports any examples of persistent irregularities where, clearly, insufficient remedial action had been taken.

92. Finally, he wished to stress the importance of maintaining the separate and distinct roles of internal and external oversight bodies as well as the need for oversight services not to duplicate their activities and to liaise closely in order to ensure smooth and efficient coverage of the organizations concerned. The Board regarded such liaison as essential.

OTHER MATTERS

93. Mr. NOUR (Egypt), pointed out that, although Egypt had paid its assessed contribution for 1997 on 2 January 1997, that fact had not been reflected in the documentation on the subject which had been circulated by the Secretariat. Egypt was proud to be one of the few Member States which consistently paid their contributions in time and in full. He requested the Secretariat to correct the errors concerning Egypt's contribution in the documents in question and ensure that such errors were not repeated in future.

The meeting rose at 5.25 p.m.

UNITED NATIONS

General Assembly

FIFTY-FIRST SESSION

Official Records

FIFTH COMMITTEE
51st meeting
held on
Monday, 17 March 1997
at 10 a.m.
New York

SUMMARY RECORD OF THE 51st MEETING

Chairman:	Mr. SENGWE	(Zimbabwe)
later:	Mr. STEIN (Vice-Chairman)	(Germany)
later:	Mr. SENGWE (Chairman)	(Zimbabwe)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 139: FINANCING OF THE INTERNATIONAL CRIMINAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR GENOCIDE AND OTHER SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF RWANDA AND RWANDAN CITIZENS RESPONSIBLE FOR GENOCIDE AND OTHER SUCH VIOLATIONS COMMITTED IN THE TERRITORY OF NEIGHBOURING STATES BETWEEN 1 JANUARY AND 31 DECEMBER 1994 (continued)

AGENDA ITEM 140: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACEKEEPING OPERATIONS (continued)

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ADDRESS BY THE SECRETARY-GENERAL

ORGANIZATION OF WORK

The meeting was called to order at 10.10 a.m.

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AGENDA ITEM 137: FINANCING OF THE INTERNATIONAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF THE FORMER YUGOSLAVIA SINCE 1991 (continued)

AGENDA ITEM 139: FINANCING OF THE INTERNATIONAL CRIMINAL TRIBUNAL FOR THE PROSECUTION OF PERSONS RESPONSIBLE FOR GENOCIDE AND OTHER SERIOUS VIOLATIONS OF INTERNATIONAL HUMANITARIAN LAW COMMITTED IN THE TERRITORY OF RWANDA AND RWANDAN CITIZENS RESPONSIBLE FOR GENOCIDE AND OTHER SUCH VIOLATIONS COMMITTED IN THE TERRITORY OF NEIGHBOURING STATES BETWEEN 1 JANUARY AND 31 DECEMBER 1994 (continued)

AGENDA ITEM 140: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACEKEEPING OPERATIONS (continued)

Gratis personnel provided by Governments and other entities (continued)
(A/51/688 and Corr.1 and A/51/813)

1. Mr. GODA (Japan) said that his delegation recognized the critical importance of the issue of gratis personnel to the future of the United Nations. The practice of accepting gratis personnel had expanded in recent years and in-depth consideration should therefore be given to the impact which that practice was having on the international character of the Organization and its personnel policy, including the need to achieve geographical and gender balance within the Secretariat.

2. There was need for a reaffirmation of the principle that activities mandated by the General Assembly, the Security Council or other legislative bodies should be carried out by United Nations staff who had been selected from an international pool of applicants on the basis of criteria determined by the Charter with the aim of securing the highest standards of efficiency, competence and integrity. Japan was concerned about the current situation in which a substantial number of persons who had been nominated by their Governments but who were not United Nations staff governed by the Staff Regulations and Rules were working in the various Secretariat departments and, occasionally, were even carrying out decision-making functions.

3. He agreed with the Secretary-General's proposal that the use of gratis personnel should be restricted to those exceptional situations in which the required specialized expertise was not available in the Secretariat, and then only for a limited period of time. In such cases, the status, duties and responsibilities of the personnel in question should be made clear. In that connection, the guidelines for the acceptance of gratis personnel, which were attached to the Secretary-General's report, provided a useful basis for the Committee's consideration of the matter.

4. His delegation noted that the Advisory Committee on Administrative and Budgetary Questions also endorsed the use of gratis personnel to fill posts financed under the regular budget in cases of urgency or in order to provide the necessary expertise for very specialized functions. It also found merit in the Advisory Committee's view that all posts must be fully reflected in the relevant budget and provision made for them. It would not always be easy, however, to reflect the posts of gratis personnel in the budget documents, particularly in the case of the regular budget, which was prepared 12 to 24 months before the budget was implemented. It was also difficult to understand why, once a post had been reflected in the budget and staffing table, it could not be filled by a regular staff member selected by the United Nations from applicants from any Member State rather than by gratis personnel nominated by a Government. While his delegation appreciated the generosity of sending Governments which agreed to pay the direct costs of gratis personnel, it was not fair for the entire membership of the Organization to share the indirect costs entailed by the use of such personnel.

5. With regard to type I gratis personnel, it was his understanding that three types of personnel under that category were managed within the established system under the relevant rules and regulations. Type I personnel should therefore continue to be utilized in strict accordance with the relevant policy, rules and regulations and should not be used as a substitute for regular staff.

6. Ms. ARAGON (Philippines), associating her delegation with the statement made by the representative of the United Republic of Tanzania on behalf of the Group of 77 and China, noted that the Secretariat had been resorting to gratis personnel since the onset of the financial crisis and increased budgetary constraints. Her delegation agreed with the Advisory Committee's view that gratis personnel should not be sought for positions that were being kept vacant solely for financial reasons, nor should type II gratis personnel be accepted in excess of the needs of the Organization. She also agreed that the relevant budgets of the Organization must be prepared on a full-cost basis. All human resource requirements that were necessary to fully implement mandated activities must be fully disclosed and justified and must be funded in the manner agreed by the General Assembly.

7. Her delegation had also noted that the growth in the number and scope of the functions entrusted to type II gratis personnel had raised many concerns among Member States. For example, the large concentration of such personnel in a single department had adversely affected the international character of the Organization and the geographical distribution of staff in favour of a few developed Member States. Her delegation agreed that the situation must be addressed and the imbalance corrected.

8. Gratis personnel should not occupy senior posts, especially at the policy-making levels. As stated in the Secretary-General's report, gratis personnel were not staff members of the Organization and therefore not accountable to the Secretary-General. They were not subject to Article 100 of the Charter or to the Staff Regulations. At a time when Member States were seeking greater accountability of staff members at all levels, they could not expect subordinate staff to be held accountable when their supervisors were not

accountable to the Secretary-General. There should be a system of performance evaluation for gratis personnel.

9. Her delegation believed that, as a matter of policy, gratis personnel should not be employed in areas which were considered to be sensitive. For example, gratis personnel had been accepted in areas such as procurement. Such arrangements might cause a conflict of interests.

10. Her delegation was disturbed that, according to the Secretary-General's report, some Governments, when approached by the Secretariat to submit candidates for recruitment against vacant posts as United Nations staff, had instead indicated that they preferred to contribute gratis personnel. It should also be noted that some Member States in arrears were willing and able to provide gratis personnel, while their legal financial obligations to pay their assessed contributions in full, on time and without conditions went unfulfilled.

11. The issue of support costs in the recruitment of gratis personnel needed to be addressed. The Advisory Committee had offered some possible solutions to the problem which would need to be examined carefully.

12. Mr. JONAH (Sierra Leone) said that the Secretary-General's report on gratis personnel provided by Governments and other entities (A/51/688 and Corr.1) presented the facts in an honest manner and, together with the report of the Advisory Committee on the same subject, provided a useful basis for a meaningful exchange of views in the Committee.

13. He agreed with the views expressed by the delegation of the United Republic of Tanzania on behalf of the Group of 77 and China, but felt that some representatives who had defended the practice of gratis personnel were missing an important issue. While he did not wish to impute any motives to those Governments which provided gratis personnel, he believed that the growing practice was inimical to the long-term interests of the Organization. It was therefore important for the Committee to deal comprehensively with the problem and not succumb to facile and superficial solutions.

14. He drew attention to the fact that those States which called incessantly for increased staff reductions were the key proponents of the practice of gratis personnel provided by Governments. The answer to that apparent contradiction had been suggested in a recent editorial in The New York Times which had stated that one of the principal tasks of the newly elected Secretary-General was to abolish permanent contracts. The pursuit of such a policy would be a dangerous development for the Organization and for the developing countries in particular and would violate the provisions of the Charter. That was all the more reason why the issue should be tackled head on and an acceptable solution found.

15. Mr. VARELA (Chile) said that the increase in the number of gratis personnel provided by Governments and other entities was a phenomenon linked to the Organization's financial crisis. His delegation shared the concern of other members over the impact which the disproportionate use of gratis personnel, particularly type II personnel, was having on the international character of the Organization.

16. Efforts to strengthen the Organization and its most valuable resource, a highly qualified international staff, were being undermined by a practice which was at odds with the fundamental principles of the United Nations, including the basic rules of the accountability of staff. There was therefore an urgent need for adequate regulation of a pool of personnel resources which had proved to be very valuable and, in particular cases, essential to the success of some of the Organization's most important activities.

17. In that connection, both the report of the Secretary-General and that of the Advisory Committee contained proposals which could form the basis of an appropriate, fair, equitable and transparent policy that would contribute to the strengthening of the international civil service and to the standard-setting function of the General Assembly. In that respect, his delegation fully endorsed the recommendation contained in paragraph 18 of the Advisory Committee's report. It also shared the view expressed in paragraph 10 of that report that the programme of work and the mandates approved by Member States must be financed in the manner determined by the General Assembly. If the resources were inadequate, however, it was incumbent upon the Secretary-General to propose options to the General Assembly for the necessary action. His delegation also agreed with the Advisory Committee's view that gratis personnel should not be sought for positions kept vacant solely for financial reasons.

18. Mr. Stein (Germany), Vice-Chairman, took the Chair.

19. Mr. Bong Hyun KIM (Republic of Korea) said that the Organization's current methodology for accepting gratis personnel resulted in geographical imbalance and a lack of transparency in the process of recruitment, particularly of type II personnel. It was a matter of concern that developed countries currently accounted for 80 per cent of gratis personnel, in contravention of the principle of equitable geographical distribution. His delegation was further concerned that gratis personnel had been recruited on an ad hoc basis and that agreements between the United Nations and donor countries had been applied only in a limited number of cases. That practice impeded transparency in the recruitment process of gratis personnel and undermined the Secretary-General's accountability.

20. While gratis personnel had played a valuable role in advancing the implementation of approved activities, particularly in the current climate of budgetary constraint, his delegation concurred with the Advisory Committee's view that gratis personnel should not be sought solely for financial reasons but should be recruited to enhance the efficiency of the United Nations by bringing experts with needed skills and experience into the organizational fold. If further developed, current arrangements could become an invaluable part of the Organization's human resources management system. The Secretary-General should therefore conduct an in-depth study into procedures governing gratis personnel with a view to redressing its disadvantages and maximizing its utility.

21. His delegation supported the Advisory Committee's recommendation that the Secretary-General should consult with Member States in formulating appropriate guidelines for gratis personnel on the basis of the proposals put forward in annex 1 to his report (A/51/688 and Corr.1). The guidelines should include a strict review of candidates' qualifications and experience, specific job

descriptions for newly acquired personnel, and the application to gratis personnel of the Secretariat's performance appraisal system. Comprehensive and detailed guidelines would help to dispel the concerns associated with the current practice and enhance the benefits of gratis personnel.

22. Mr. BEKTAŞ (Turkey) said that his Government considered the provision of gratis personnel to the Organization as donations in kind aimed at meeting specific expertise needs under circumstances of budgetary or time constraints for the accomplishment of particular missions. Turkey had every confidence in the integrity, impartiality and professionalism of all gratis personnel. The concerns that had been expressed that gratis military officers would remain on their respective Government's payroll, thereby jeopardizing their impartiality, or that they would be more receptive to instructions from their Governments rather than from the Secretary-General were unfounded and cast a shadow on the impartiality and integrity of the more than one million military personnel who had so far served in peacekeeping operations to the full satisfaction of Member States. It was difficult to understand why a small number of selected military professionals of high calibre should compromise their integrity and impartiality while over a million of their fellow professionals had not.

23. He was surprised by the statement in paragraph 11 of the Secretary-General's report that gratis personnel were not accountable to the Secretary-General. To his knowledge, the four gratis military officers in the Department of Peacekeeping Operations who had been provided by Turkey and their fellow officers of the same status worked under the command of supervisors within the established United Nations hierarchy and were accountable to their superiors for the work they performed. Furthermore, the Military Adviser to the Secretary-General provided the Turkish Government with annual performance evaluation reports for the Turkish officers. Also, the Military Adviser, along with the immediate supervisors of gratis military personnel, ensured that the latter complied with United Nations rules, code of conduct and military discipline.

24. The Organization should be able to continue to utilize gratis personnel on an as-needed basis to provide services not traditionally available within the United Nations system and Member States should not attempt to restrict the Secretary-General's acceptance of gratis services. Turkey accepted that the agreement between the United Nations and the donor Government or other entity must be signed prior to the acceptance of gratis services. The donor's responsibility for ensuring the individual's compliance with the applicable standards of conduct rendered unnecessary the signing of an undertaking by the individual.

25. Setting a pre-established limit for the length of services assumed that it was known well in advance exactly how long the gratis services would be needed. In practice, such a limit might restrict the use of specific expertise or lead unnecessarily to premature termination of services. Turkey was of the view that gratis services should last about two years with extensions as necessary. That should not prevent the termination of the gratis service agreement, however, when the services were no longer needed.

26. Donors should be responsible for the remuneration, medical, pension, life insurance and other social security benefits of the individual, with the

exception of compensation for death or disability. Disability or death was a rare but traumatic occurrence and it was the moral responsibility of the Organization to provide or at least to contribute towards the compensation of victims or their survivors. The programme support costs to be charged to the donors at the rate of 13 per cent of the services provided were unrealistic. Those costs would inevitably be incurred by the Organization irrespective of whether the programme in question was carried out by gratis personnel or not. That particular provision should therefore be removed from the guidelines.

27. Mr. GREIVER (Uruguay) said that his delegation shared the concerns of the Group of 77 and China regarding the use of gratis personnel. While acknowledging the valuable role such individuals played in areas where staff members lacked necessary expertise, gratis personnel should certainly not replace international civil servants. Nor should they be allowed to undermine the principle of the widest possible geographical distribution of staff.

28. The situation in the Department of Peacekeeping Operations was particularly alarming since there appeared to be no connection between troop-contributing countries and those responsible for administration in the Department. In other words, those countries with the most resources were the only ones in a position to provide gratis personnel, thus violating the right of nationals from all Member States to aspire to posts in the Organization, as well as undermining equitable geographical distribution.

29. His delegation attached great importance to the specifically international character of United Nations staff. With that in mind, the number of gratis personnel employed by the Organization should be regulated and ways should be found to tackle the problem of the disproportionate number of such personnel engaged in peacekeeping operations.

30. Ms. WATERS (President of the United Nations Staff Committee and the Coordinating Committee of International Staff Unions and Associations) said that the staff unions and associations of the United Nations Secretariat had noted that the Fifth Committee had debated the issue of gratis personnel with great concern, sincerity and a true desire to achieve a mediated solution of the problem. At the previous session of the General Assembly, she had made a presentation explaining the importance that the staff unions and associations attached to the continued independence and integrity of the international civil service. Since that time, the new Secretary-General had stated that there was a need for Member States to reaffirm their commitment to the principles of the United Nations.

31. The staff looked to the Member States for leadership, guidance, and for a clear statement of principles and priorities that would enable the Secretary-General to establish appropriate policies and goals. On the issue of gratis personnel, the staff were seeking clear guidelines based on what they knew about the type II gratis personnel and how their presence conflicted with the Charter.

32. Gratis personnel should not perform work that could be performed by staff members. Gratis personnel should not perform confidential or sensitive functions. But, the Fifth Committee had learnt that gratis personnel were

indeed carrying out such functions. The Secretariat had resorted to that practice because of the lack of resources to implement mandates.

33. The staff unions and associations did not question the integrity of the individuals involved, nor the motives of the donor countries. Their main concern was the impact of gratis personnel on the international civil service. Everybody performing functions for the United Nations should do so on an equitable basis and with complete commitment and accountability to the Chief Administrative Officer.

34. Regarding the creation of an Arbitration Board, it would be difficult to ensure the impartiality of the arbitrators if they were recruited externally and paid by the Administration. The same was logically true of gratis personnel. Despite the high calibre of their work and the benefits they could provide to the Organization, their loyalties would logically lie with those responsible for their remuneration.

35. The greatest impact of the use of gratis personnel could not be clearly quantified, namely the demoralization of international civil service on being told time and time again that it was unable to meet the Organization's needs. The staff unions and associations had long been advocates of assessing both the short- and long-term needs of the Organization and sharing that assessment with the international civil service. Such an approach would allow everybody with a stake in the Organization to understand the direction it was taking, and to prepare themselves for the skills that would be required in the future.

36. On hearing that gratis personnel provided a service that was not readily available among the international civil service, the staff unions and associations had emphasized the fact that Member States did not fully understand the capabilities and talents of the international civil service. In the area of Mission activities, a readily available resource - the Field Service staff - had yet to be fully tapped. It was difficult to comprehend a situation in which staff were told that there was no work for them to do when gratis personnel were recruited on a wholesale basis. Mixed messages of that kind made it difficult for staff to understand the Organization's priorities and focus.

37. In a number of cases that had been identified and discussed in the Fifth Committee, individuals who had been thrust upon the Organization as gratis personnel had subsequently become eligible for established posts when such posts became available. The staff appealed to Member States to protect the international civil service, and to show by their words and actions that they continued to support the mission enshrined in the Charter. The replacement of international civil servants with gratis personnel had to cease. There were no objectives that could not be quickly and efficiently met by international civil servants if the Organization would employ appropriate planning measures enabling all staff to learn the skills that would be required in the near term and adapt themselves to those needs.

38. The staff unions and associations had produced a detailed paper containing their views on human resources management which would be circulated to delegations shortly.

AGENDA ITEM 116: PROGRAMME BUDGET FOR THE BIENNIUM 1996-1997 (continued) (A/C.5/51/L.44)

Draft decision A/C.5/51/L.44

39. Mr. GOUMENNY (Ukraine), Rapporteur, introduced draft decision A/C.5/51/L.44 concerning the eighth progress report on the Integrated Management Information System (IMIS), whereby the General Assembly would take note of the report of the Secretary-General, endorse the recommendations and observations of the Advisory Committee on Administrative and Budgetary Questions, and urge the harmonization of management systems within all organizations, agencies, funds and programmes of the United Nations insofar as such harmonization was cost-effective. The draft decision had been agreed to by Member States in the informal consultations on the understanding that the issue of IMIS would be discussed at the forthcoming meeting of the Executive Board of the United Nations Children's Fund (UNICEF).

40. Draft decision A/C.5/51/L.44 was adopted.

41. Ms. ARCHINI (Italy) said that her delegation had joined the consensus on the draft decision on the understanding that the Committee would impress upon the Secretary-General the need for harmonization of management systems throughout the United Nations. Such an approach was desirable in that it would eliminate the different systems which currently existed. Her delegation trusted that UNICEF would take account of the draft decision adopted by the Fifth Committee.

AGENDA ITEM 135: FINANCING OF THE UNITED NATIONS OBSERVER MISSION IN LIBERIA (continued) (A/C.5/51/L.45)

Draft resolution A/C.5/51/L.45

42. Mr. GOUMENNY (Ukraine), Rapporteur, introduced draft resolution A/C.5/51/L.45 whereby the General Assembly would decide to appropriate to the Special Account for the United Nations Observer Mission in Liberia the amount of $12,169,600 gross ($11,838,800 net), already authorized and apportioned under the terms of resolution 50/210 of 23 December 1995 for the maintenance of the Observer Mission for the period from 1 February to 31 March 1996 and to extend the period covered by the appropriation from 31 March to 30 June 1996. The General Assembly would also decide to appropriate to the Special Account an additional amount of $17,899,000 gross ($17,544,100 net) for the operation of the Observer Mission for the period from 1 July 1996 to 30 June 1997, and to apportion among Member States the amount of $5,840,000 gross ($5,494,500 net) for the maintenance of the Mission from 1 July to 30 November 1996. An additional amount of $13,192,345 gross ($12,989,545 net) would be apportioned among Member States for operation of the Mission for the period from 1 December 1996 to 31 March 1997. The amount of $4,706,655 gross ($4,554,555 net) would be apportioned among Member States at the monthly rate of $1,568,885 gross ($1,518,185 net) for the maintenance of the Mission for the period from 1 April to 30 June 1997.

43. In accordance with the provisions of its resolution 973 (X), the General Assembly would set off against the apportionment among Member States their respective share in the Tax Equalization Fund of the estimated staff assessment income of $152,100. Finally, for Member States which had fulfilled their financial obligations to the Observer Mission, their respective share in the unencumbered balance of $13,466,400 gross ($13,443,900 net) for the period from 1 July 1995 to 30 June 1996 would be set off against the apportionment.

44. Draft resolution A/C.5/51/L.45 was adopted.

45. Mr. STÖKL (Germany) said that his delegation had joined the consensus on the resolution with reservations. The amount of every peacekeeping budget approved by the General Assembly would not be fully covered by contributions from Member States because one Member State in particular had announced its intention to reduce its assessed contribution to peacekeeping budgets to an amount which it deemed convenient. Such unilateral action would further contribute to the difficult financial situation of the Organization and in the long run jeopardize the implementation of all peacekeeping operations. His delegation believed that the Secretary-General's commitment authority in respect of peacekeeping operations would have to be adjusted to reflect predictable income level. His Government did not intend to make up the shortfall occasioned by certain Member States' refusal to pay up, nor would his Government countenance a change in its effective share of the current scale of assessments.

AGENDA ITEM 119: SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS (continued) (A/C.5/51/L.43)

46. Mr. YUSSUF (United Republic of Tanzania), speaking on behalf of the Group of 77 and China, introduced draft resolution A/C.5/51/L.43 containing elements and criteria for the consideration of the Committee on Contributions regarding the scale of assessments. The Group of 77 and China had arrived at a common position after arduous negotiations and the draft resolution before the Committee could serve as a basis for subsequent discussions on the scale. The Group was prepared to negotiate in good faith in order to work out a scale that would reflect each Member State's capacity to pay.

47. Mr. MENKVELD (Netherlands), speaking on behalf of the European Union, said that in accordance with the Committee's consensus procedure, draft decisions and resolutions were usually introduced by the Chairman or the coordinator of the informal consultations. While the European Union welcomed proposals from all Member States, his delegation wished to remind the Committee that the elements and criteria contained in draft resolution A/C.5/51/L.43 were merely part of the coordinator's summary paper which formed the basis of ongoing consultations on the matter.

48. Ms. PEÑA (Mexico) said it was true that all draft decisions and resolutions should, procedurally speaking, be introduced by the Chairman or the coordinator of informal consultations. However, her delegation wished to point out that the General Assembly was not committed to any one particular methodology for reaching decisions on administrative and budgetary questions. Her delegation welcomed input from individual States or groups of States and believed that a

substantive decision or resolution could be elaborated on the basis of a number of drafts.

49. Mr. HANSON (Canada) endorsed the view of the European Union that the best way for the Committee to achieve consensus would be to continue informal consultations on the basis of the coordinator's summary, which would include the elements listed in A/C.5/51/L.43. His delegation did not believe that the best way of reaching consensus was to multiply the number of draft documents before the Committee, but reserved the right to submit a draft decision or resolution if the need arose.

50. Mr. GODA (Japan) said that his delegation favoured working by consensus, but reserved the right to submit a draft decision or resolution on the scale of assessments at a later date.

51. The CHAIRMAN said that it was his understanding that draft resolution A/C.5/51/L.43 was currently being considered, together with other proposals, in informal consultations on the scale of assessments.

52. Mr. Sengwe (Zimbabwe) resumed the Chair.

ADDRESS BY THE SECRETARY-GENERAL

53. The SECRETARY-GENERAL said that his appearance before the Fifth Committee was in keeping with the wish of the General Assembly that there should be a timely dialogue between Member States and the Secretary-General on the process of the restructuring of the Secretariat.

54. Upon assuming the office of Secretary-General, he had undertaken to lead a thorough and wide-ranging review of the activities of the United Nations and the manner in which they were conducted with a view to reconfiguring the Organization to meet the changing needs of the world community as it moved into the next millennium. In the present era of challenge and expectation, nothing less was required of him by the Member States.

55. He had already taken measures within the Secretariat towards meeting those goals. First, he had created a Policy Coordination Group, which he chaired, to assist him in the executive direction of the Organization's work. Its composition included the heads of departments and offices within the Secretariat, as well as the heads of the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF) and the United Nations Population Fund (UNFPA).

56. Second, some 30 United Nations departments, offices, funds and programmes had been brought together in the principal sectoral areas of the Organization's work - peace and security, economic and social affairs, development operations and humanitarian affairs. Executive Committees had been set up in those areas, each with its own designated Convenor, to facilitate more concerted and coordinated management of the Organization's work. Those Executive Committees had executive decision-making as well as coordinating powers. The Convenors would bring to his attention issues that required his decision. In that

context, he had determined that the designation of a Special Coordinator for Economic and Social Development was no longer required.

57. To support him in his reform efforts, he had appointed an Executive Coordinator for United Nations Reform to advise and assist him in overseeing all aspects of the process that came within his purview. The Executive Coordinator also chaired a Steering Committee on United Nations Reform whose membership included senior officials representing the span of activities of the Organization, including the Convenors of the Executive Committees.

58. A Management Reform Group, focusing on furthering management reform measures cutting across the Organization, was being established within the Department of Administration and Management to replace the Efficiency Board and its working group. That group would be complemented by reform groups to be established in each department, fund and programme, to assist in pursuing internal reforms in each United Nations entity.

59. The reform agenda was being implemented on the basis of a two-track process. The first track related to those managerial initiatives and decisions which fell within the Secretary-General's authority and which could be taken immediately. The second involved the preparation of a longer-term programme of action which would incorporate those further measures within his authority, including those which he believed should be subject to consultations with and guidance from Member States; and his proposals in respect of the more fundamental issues, which could only be decided by Member States.

60. In developing his plans, he had taken careful account of the considerable body of knowledge and analysis that was now available as a result of the deliberations of Member States in the General Assembly and its relevant working groups. Account had also been taken of proposals made by groups of States and by individual States, recommendations emanating from independent commissions and other bodies, and from the valuable reports prepared by the Office of Internal Oversight Services, the Joint Inspection Unit and the Board of Auditors. He was now in a position to bring to the attention of Member States his immediate management and organizational measures.

61. It was estimated that up to 38 per cent of the resources of the regular budget were devoted to administration and other non-programme costs. That figure included the budget, finance and personnel components of the Department of Administration and Management, the administrative support costs of conference services, public information activities and other programme support costs. He was convinced that that figure was too high and that Member States would welcome an effort to redistribute resources to the programme areas. In that regard, Member States had made clear that resources saved should be made available for development activities.

62. He had therefore directed that a plan should be prepared for presentation to Member States for a reduction in the proportion of resources allocated for administration and other non-programme costs in the regular budget by one third to be achieved by the year 2000; he would make every attempt to go further.

63. Since taking over as Secretary-General, he had stressed that the promotion of development must remain central to the Organization's mission and that its work in the economic and social fields must be strengthened. He was confident that his personal conviction was widely shared.

64. The Secretariat had a central role in integrating substantive support to the concerned intergovernmental bodies, but that role was now diffused among the Department for Policy Coordination and Sustainable Development (DPCSD), the Department for Economic and Social Information and Policy Analysis (DESIPA) and the Department for Development Support and Management Services (DDSMS). He was convinced that integrating substantive support for policy formulation, analytical and normative functions, and relevant technical cooperation activities would serve to reinforce the necessary critical mass available at Headquarters for that indispensable aspect of the Organization's work and the overall effectiveness of the Secretariat. Accordingly, the three departments in question would be merged into one. Some of the functions and activities of the Department for Development Support and Management Services would be redistributed. He also anticipated that appreciable administrative savings would accrue from the consolidation. The new Secretariat arrangements should serve to bolster support for Africa's development, South-South cooperation and the sustainable development of small island developing States.

65. A priority in the reform effort should be to strengthen the coherence, quality and efficiency of the services provided by the Secretariat to intergovernmental bodies. In that regard, there was a need to streamline and strengthen technical support for intergovernmental processes. He therefore intended to establish a Department of General Assembly Affairs and Conference Services integrating the major technical support services for the General Assembly, the Economic and Social Council and their subsidiary bodies as well as conference services. The new department would lead in establishing a new way of operating conference services in the Secretariat with increased accountability for performance against clear norms and standards of quality and timeliness, and increased flexibility to deploy resources to respond quickly. While consolidation was an important means of achieving cost-effectiveness, there were some functions that needed to be decentralized to locations where they could be performed more economically. Particular examples were translation, printing and publications.

66. The tale of United Nations activities must be told with more vigour and purpose and to greater effect. To that end, he had concluded that a sweeping revamping of the United Nations public information capacity was an urgent requirement. Revamping those services would be in line with intergovernmental recommendations which had already been made. Action to implement those recommendations had not kept pace, however, with the urgent nature of the problem. There was a need to go further.

67. The reorientation of public information would be designed to have three principal effects. First, United Nations information activities would in future be geared to providing communications and outreach services to the media, non-governmental organizations and other re-disseminators, utilizing the latest media technologies and techniques. Second, the information capability of the Secretariat would be more intimately linked with and directly supportive of the

activities of the substantive departments. Third, resources would be decentralized and refocused to the country and regional levels and greater use would be made of local resources. The process of integrating those United Nations information centres serving developing countries into the Resident Coordinator's Office would be completed. He also hoped to see information coverage of all Member States that desired such coverage as a result of those changes. Towards that end, he intended to transform the existing Department of Public Information into an Office for Communications and Media Services and would initiate a detailed review and consultations with Member States.

68. The United Nations and its funds and programmes had different but related administrative, financial, personnel, procurement and other services arrangements. Common services arrangements existed only in a few areas. In support of the principle of devolving responsibility to the most effective managerial level, experience demonstrated that, in some carefully defined areas, consolidation produced considerable cost savings and other administrative benefits. He had therefore decided to initiate a close examination of existing arrangements throughout the Secretariat with a view to extending common services wherever that could result in more effective services, including the possible establishment of a common services facility.

69. Member States had made clear their wish to see arrangements put in place to secure greater integration of United Nations activities at the country level which, nonetheless, would preserve the special characteristics and distinctiveness of the various funds and programmes. In order to achieve greater coherence of planning, programming and implementation at the country level, he had directed that a number of steps should be taken. First, the position of the Resident Coordinator as the Secretary-General's designated representative for development cooperation and Leader of the United Nations Country Team should be further strengthened and enhanced. The team approach to operations in the field, under the leadership of the Resident Coordinator, must be acknowledged without reservations. Second, all United Nations funds and programmes conducting development activities in a particular country would be requested to join together, under the Resident Coordinator as leader of the United Nations country team, in the preparation of a common programme and programme-resource framework at the country level in full consultation with and in support of the Government concerned. A common United Nations Development Assistance Framework should maximize United Nations collaboration in support of country priorities. Third, the drive to establish common premises and services arrangements at the country level would be intensified. A common location would save on administrative costs to the benefit of the programme countries and would serve to encourage a daily habit of coordination, cooperation and consultation. Implementation of common services arrangements at the field level would release resources for programmes, as would further harmonization of current procurement, personnel, financial and administrative procedures. Fourth, he was asking the heads of the United Nations funds and programmes, through the Executive Committee on Development Operations, to assist him in ensuring that the selection of the leaders of their country staff resulted in a mix of skills in the United Nations country team compatible with the needs and priorities of the United Nations country activities as determined by the country concerned.

70. He expected a total commitment to excellence from the managers and staff of the United Nations. That included adhering to the highest standards of conduct. A draft Code of Conduct had now been completed. Staff representatives had been asked to review it expeditiously so that he might submit it to the General Assembly for consideration.

71. It had become urgent to stem the tide of documentation which threatened to overwhelm the Secretariat's productive capacity and delegations' absorptive capacity. He had therefore set a target of 25 per cent for the reduction in documentation produced by the Secretariat, to be achieved by no later than the end of 1998. He would review options for streamlining reporting methods and propose further measures to Member States in the near future for reducing documentation and eliminating unnecessary paperwork.

72. The foregoing actions would find reflection, in due course, in the structure and content of the Organization's regular budget. In that regard, he recalled that the regular budget had shown zero nominal growth since 1994. The regular budget appropriation for 1994-1995 had been $2,608 million. The current appropriation for the budget for the biennium 1996-1997 was $2,603 million. The overall decline of $5 million had been achieved through real resource reductions of $210 million offset by output cost pressure from inflation and foreign exchange fluctuation. For the biennium 1998-1999, the General Assembly had approved a budget outline of $2,480 million based on the same price levels used in the latest reading of the 1996-1997 budget. Accordingly, his proposed budget for the biennium 1998-1999 would contain proposals which would be around $123 million less than 1996-1997 at comparable prices and represented a real resource reduction. Assuming the continuation of present inflation and exchange rates, his goal was for the United Nations to achieve a negative nominal growth budget for the biennium 1998-1999.

73. The question of an appropriate level of staff for the Organization had become a matter of preoccupation for many Member States. It was likewise an issue uppermost in the minds of the staff. In considering that issue, it was important to define what was within his responsibility as Secretary-General and what was not. The majority of the staff of the United Nations system worked in the specialized agencies, including the World Bank and the International Monetary Fund, and other organizations, and did not come under his responsibility. Within the United Nations itself, 10,021 posts were authorized under the regular budget of the Organization and were under his direct responsibility. As a result of the severe budget reductions mandated for the biennium 1996-1997 by the General Assembly, the Secretariat currently had an effective staffing level that was 1,000 below the number of posts authorized for the regular budget. He had decided to propose for the consideration of Member States the abolition of approximately 1,000 posts in the proposed programme budget for the biennium 1998-1999. He would be guided by the reaffirmation by the General Assembly in its resolutions 50/214 and 51/222 that programmes and activities it had mandated must be respected and implemented fully and that the prerogative of the General Assembly included the authority to create and abolish posts under the regular budget. The proposed reduction in posts would contribute to a decline of approximately 25 per cent from the peak of 11,994. In that context, heads of departments and offices would be required to keep the targets set by the General Assembly on gender balance as a guiding factor in

their staffing decisions. For his part, he would continue to work together with Member States to ensure that qualified women were given the opportunity to serve in senior positions in the Secretariat.

74. He was initiating a number of action processes to implement each decision with a specific timetable and a designated action manager. The Executive Coordinator for United Nations Reforms would assist him in overseeing the setting up and functioning of those arrangements.

75. The reform measures he had initiated were designed to contribute to the transformation of the Organization into a more effective, modernized and relevant instrument at the service of the international community. They represented first steps in his reform programme. Resources would be reallocated; departments integrated; administrative costs reduced; functions streamlined; new methods of work introduced; and maximum performance demanded of all staff. The intention was to strengthen the Secretariat's capacity to deliver programmes and to redeploy resources judiciously for that purpose.

76. Reform was not an end in itself. It was a means to achieve a more effective United Nations system that better served the Member States; a leaner and more efficient United Nations Secretariat, including the funds and programmes, with simplified structures that avoided duplication and achieved greater impact; and a United Nations organization that was well-managed and more accountable for results.

77. He was aware that a number of those actions would require review by and the concurrence of Member States, particularly where there were implications for the content and structure of the programme budget. In such instances, he would refer them for consideration to the relevant bodies. He would seek to ensure that the changes that he proposed contributed to the full implementation of mandated programmes. Indeed, those proposals were intended to increase the Organization's overall capacity to implement programmes. In the event that programmatic adjustments were required, he would seek the necessary legislative authorization.

78. Enhancing the performance of the United Nations, above all, meant investing in its most important resources, namely, its staff. Over the next several months, he would be considering a series of initiatives to strengthen further the professional formation of United Nations staff to equip them with new skills and techniques, and to create work-related incentives. A United Nations staff college was being established to foster management excellence and to provide staff with refresher training over the course of their careers. It was essential that the nature of the training and incentives provided should be in line with the core competencies required of the Secretariat staff. He would outline his plans in that area in his report to be issued in July.

79. He was determined that the changes he had outlined would be accomplished in a manner which renewed confidence of Member States in the Organization and revitalized the spirit and commitment of staff.

The meeting was suspended at 12.05 p.m. and resumed at 12.10 p.m.

ORGANIZATION OF WORK

80. The CHAIRMAN said that delegations would need some time to reflect on the Secretary-General's statement and suggested that they be given an opportunity to comment on it at a subsequent meeting.

81. It was so decided.

The meeting rose at 12.15 p.m.

UNITED NATIONS

General Assembly

FIFTY-FIRST SESSION

Official Records

FIFTH COMMITTEE
52nd meeting
held on
Monday, 17 March 1997
at 3 p.m.
New York

SUMMARY RECORD OF THE 52nd MEETING

Chairman: Mr. SENGWE (Zimbabwe)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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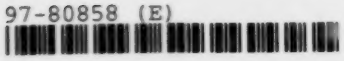

The meeting was called to order at 3.10 p.m.

AGENDA ITEM 141: REPORT OF THE SECRETARY-GENERAL ON THE ACTIVITIES OF THE OFFICE OF INTERNAL OVERSIGHT SERVICES (continued) (A/50/945, A/50/1004, A/50/1005, A/51/432, A/51/530 and Corr. 1, A/51/801, A/51/802, A/51/804 and A/51/810)

1. Mr. PASCHKE (Under-Secretary-General for Internal Oversight Services), introducing the reports contained in documents A/51/801, 802, 804 and 810, said that the report of the Secretary-General on enhancing the internal oversight mechanisms in operational funds and programmes (A/51/801) was submitted in response to General Assembly resolution 48/218 B. He wished to stress that although the report had been prepared by the Office of Internal Oversight Services, it was a report of the Secretary-General. Furthermore, the preparation of the report had been delayed because of the need for consultations with executive bodies of the funds and programmes.

2. From the outset, the Office had actively involved the funds and programmes in all major steps of the drafting process. Data on existing oversight mechanisms had been gathered right from the source and verified at various stages with the entities concerned. In January 1996, the Secretary-General had sent the draft report to the executive heads of the funds and programmes and asked them to consult with their governing bodies, as appropriate. The Office had received responses from all the executive heads conveying their own views and those expressed by their governing bodies. The feedback had basically confirmed the approach and recommendations of the draft report. Details on the consultation process were included in annex IV to the report.

3. The report revealed that there were varying degrees of internal oversight in the individual agencies, and that there were a number of lacunae which needed to be addressed. One major lacuna was the lack of a genuine investigations function in most of the funds and programmes. The report advocated that the existing oversight functions and procedures within the agencies should be strengthened and brought up to the level established by General Assembly resolution 48/218 B and that lacunae should be addressed by the agencies, through the creation of an oversight function or with assistance from the Office, in which case a mechanism for financing the additional workload would have to be found. The report recommended a three-pronged approach. First, effective horizontal lines of communication between the existing internal oversight functions should be established in every agency and vertical lines of reporting to the executive management level should be clearly defined and shortened. Second, the existing internal oversight units, as well as the management of the funds and programmes, should pay more attention to the immediate follow-up and timely implementation of recommendations. Third, a direct reporting line should be established between the internal oversight units and the respective governing bodies, through the executive head. The report went on to suggest that the Office, in the framework of its annual report, should provide the General Assembly with information on the status of oversight in the operational funds and programmes.

4. That approach followed closely the blueprint in General Assembly resolution 48/218 B; no new elements had been added, and some elements which had not been deemed necessary in the context of the funds and programmes had been omitted. The ultimate goal was to create a common framework for oversight functions throughout the United Nations; he believed that that approach, once endorsed by the General Assembly, would provide reassurance to Member States that the resources which they provided to the funds and programmes were being utilized efficiently, and that the outputs were being delivered in a way that maximized available resources. A strengthened internal oversight mechanism would also be a better tool for management in fulfilling its internal oversight responsibilities.

5. The review of outsourcing practices at the United Nations (A/51/804, annex) had been undertaken at the request of the General Assembly in resolution 50/214. The review covered operations at Headquarters and field offices, as well as selected peacekeeping missions; the Office had directly audited more than 25 contracts and agreements valued at over $100 million. The Office believed that outsourcing, if managed properly, could be a viable means for achieving efficiency, effectiveness and cost reduction, in addition to providing the expertise the United Nations required to supplement its personnel; outsourcing could also allow programme managers to concentrate on substantive activities and better perform the Organization's core functions. The major findings and recommendations were highlighted in the summary at the beginning of the report: there was a need to develop organization-wide policy guidelines for the effective management of outsourcing; few programme managers were able to identify the extent of goals achieved; successful outsourcing of services depended upon proficient management of the procurement process; a number of cases of non-compliance with procurement procedures had been found; and it was recommended that a focal point should be established within the Department of Administration and Management to oversee the outsourcing process. The Office concluded that outsourcing was one possible strategy for achieving efficiency and effectiveness and that the Organization should give serious consideration to expanding the use of outsourcing where justified by a cost-benefit analysis. Even if those recommendations were implemented, however, the proof of the success of outsourcing would be obtained only through vigilant monitoring and evaluation of each outsourcing exercise.

6. The audit of catering operations at Headquarters (A/51/802, annex) had been carried out at the request of the General Assembly in resolution 50/214. The Office had reviewed the contractual arrangement and United Nations monitoring of contractor performance; it had found that the goal of being financially self-supporting, established by the General Assembly in resolution 39/67, had not been met because the United Nations continued to bear considerable costs such as providing and maintaining the facilities; however, it had been unable to determine those costs because the relevant data were not available. The contractor, with limited capital investment, had made a profit of over $12 million in the period 1986-1996, while the United Nations continued to subsidize the catering operation. The Office felt that the United Nations could have secured a fair share of the profit or ensured reimbursement of its costs had such terms had been included in the contract. Moreover, a comparative review of catering operations at United Nations Headquarters, the United Nations

Office at Geneva and the International Trade Centre disclosed disparate approaches and little coordination.

7. The Office therefore recommended that the objectives of United Nations catering operations should be clearly defined; that all costs incurred by the United Nations in providing catering facilities and equipment should be identified; and that a reasonable and equitable profit-sharing arrangement between the United Nations and the contractor should be implemented with a view to recovering such costs from the contractor. The Office further recommended that in addition to consumer price indicators, a clause on quality assurance indicators should be included in the contract. The Office was pleased to note that its recommendations had been reflected in the new request for proposal or would be taken into consideration in developing the new contract for the United Nations Headquarters catering operation.

8. The report on the review of the United Nations Environment Programme (UNEP) and the administrative practices of its secretariat, including the United Nations Office in Nairobi (A/51/810, annex), raised a variety of issues pertaining to programme management and administrative practices at UNEP and described the main problems encountered by the newly established United Nations Office at Nairobi (UNON). The main conclusions were presented in the summary at the beginning of the report and the detailed findings appeared under the respective headings in chapters II to VII of the report. It seemed that the basic problem at UNEP was lack of clarity as to the role of the organization and its programmes and its organizational and managerial structure and administrative practices. That situation had led to the downsizing of programmes and had affected staff morale. The lack of clarity in responsibility had had adverse consequences for the overall operating environment; the findings suggested that the UNEP secretariat was not functioning in an environment that facilitated efficiency and effectiveness, and that the internal mechanisms for oversight, administration and collective guidance were unsatisfactory.

9. The conclusion of the review of UNON was that UNON did not have the capacity to discharge its responsibilities as a provider of administrative services to the United Nations organizations in Nairobi. It was therefore imperative for the Department of Administration and Management to give the matter its immediate attention.

10. The implementation of the recommendations presented in chapter VII of the report would require special efforts, cooperation and candid introspection by staff and management alike.

11. Mr. FARID (Saudi Arabia) said that one of the primary objectives of financial management was the conservation and effective utilization of cash. A comprehensive system of internal control that covered cash, fixed assets, inventory, liabilities and receivables was vital for the prevention of error and fraud. His delegation welcomed the drafting of internal control standards by the Office of Internal Oversight Services, whose primary function should be the detection of fraud and mismanagement in the United Nations. He proposed a number of general guidelines on internal control of cash for inclusion in the manual: all receipts of cash through the mail must be recorded before they were transferred to the cashier; all receipts should be deposited intact daily; the

functions of receiving and disbursing cash should be kept completely separate; and the actual handling of cash should be entirely separate from record-keeping.

12. His delegation agreed with the Advisory Committee on Administrative and Budgetary Questions that poor inventory management prevented the United Nations and its funds and programmes from determining what was in stock. The Office of Internal Oversight Services must ensure that adequate inventory and equipment records were kept, including particulars of the equipment, date of acquisition, organization, estimated life and rate of depreciation, annual depreciation and cumulative depreciation to date, records of change in depreciation, information on appraisal, estimated scrap value and record of repair costs.

13. His delegation welcomed the efforts to develop an assets management system, the Integrated Management Information System (IMIS) and the common system as a means of enhancing the effectiveness of the internal control system and the audit function of the Office of Internal Oversight Services. It also welcomed the Office's reports on the audit of procurement handled by the Contracts and Procurement Service of the Department for Development Support and Management Services, on catering operations at Headquarters and on the review of the management structure in the civilian staff component of the United Nations Peace Forces. His delegation hoped that the Office would continue its work and would prepare additional reports on income-generating units of the United Nations, particularly those which had incurred substantial losses.

14. Mr. REPASCH (United States of America) said that his delegation welcomed the recent series of reports by the Office of Internal Oversight Services. Overall, they showed that the Office was performing the valuable oversight function for which it had been established and was providing independent and objective information to the General Assembly on mandated programmes and activities. His delegation continued to support the authority of the Office to carry out audits, inspections and investigations of United Nations activities wherever they led and would play an active role in making sure that the Office's recommendations were implemented and that the Office received the resources it needed to carry out its mandate fully.

15. The report on enhancing the internal oversight mechanisms in operational funds and programmes (A/51/801) was an excellent framework for strengthening internal oversight mechanisms and fine-tuning arrangements for accomplishing that goal; his delegation supported all the recommendations and hoped that the organizations concerned would follow through in implementing them.

16. The report on the audit of Headquarters catering operations (A/51/802, annex) indicated some very basic problems in the management of the catering services; his delegation was particularly concerned about the findings with regard to the catering contract, and wondered why the Secretariat had not included a profit-sharing arrangement, what the rationale was for the different approaches to subsidized catering taken in Geneva and New York, and what was being done to disclose all the costs involved in providing catering services at Headquarters.

17. In the report on the review of outsourcing practices at the United Nations (A/51/804, annex), the Office concluded that the Organization was not in a

position to reap the potential benefits of outsourcing. His delegation was particularly concerned about the procurement irregularities in a number of areas, which must be corrected before the United Nations could effectively manage outsourcing contracts.

18. The report on the review of UNEP and the administrative practices of its secretariat, including UNON, depicted a programme which was struggling to clarify its mission and deal with dwindling resources. His delegation was particularly concerned about the findings concerning the excessive use of consultants and the build-up of a top-heavy and inefficient secretariat.

AGENDA ITEM 112: REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS (continued) (A/49/98 and Corr.1 and Add.1 and 2, A/49/418, A/49/471 and Corr.1, A/49/633, A/50/16, A/51/124-E/1996/44, A/51/674 and A/51/686 and Add.1 and 2)

19. Mr. YUSSUF (United Republic of Tanzania), speaking on behalf of the Group of 77 and China, said that, in accordance with the provisions of General Assembly resolution 51/221, the role of intergovernmental machinery in the consideration of efficiency measures should be strengthened. In that connection, the Secretary-General should submit his proposals for improving the efficiency of the Secretariat in areas that had an impact on the programme budget and other mandates of the General Assembly. The Secretary-General should also submit to the resumed fifty-first session of the General Assembly his views regarding the role of the Office of Internal Oversight Services and the Office of Programme Planning, Budget and Accounts in enhancing the efficiency of the Secretariat. A systematic dialogue between the Secretariat and Member States on efficiency measures should be established. Updated information regarding the current structures or mechanisms in the Secretariat for dealing with efficiency should be provided to the current session of the Fifth Committee in order to assess efforts to prevent overlapping and duplication. The prerogatives of the General Assembly in the process of enhancing the efficiency of the Secretariat should be respected by the Secretary-General.

20. Any resolution adopted should include comprehensive proposals for strengthening all oversight mechanisms in accordance with General Assembly decision 47/454 and subsequent decisions and resolutions, in particular, resolution 48/218 B. The resolution to be adopted should provide for the strengthening of the Committee for Programme and Coordination (CPC) as an integral part of the budgetary process outlined in resolution 41/213. CPC should continue to be the main intergovernmental body responsible for planning, programming and coordination, as reaffirmed in General Assembly resolution 51/219. The Group of 77 and China would submit detailed proposals in that connection during the informal negotiations. The evaluation function of CPC should be strengthened in order to determine systematically the relevance, efficiency, effectiveness and impact of the Organization's activities in the light of their objectives. The coordination function of CPC should also be strengthened, in particular, with respect to system-wide plans of action in the context of the medium-term plan for the period 1998-2001. CPC should continue its in-depth review of the report of the Administrative Committee on Coordination (ACC), which was not considered by the Economic and Social Council. The report of ACC should be more substantive and action-oriented and provide

more information on the activities of its subsidiary machinery. CPC should also ensure the follow-up of the coordination segment of the Economic and Social Council.

21. The composition of the Board of Auditors should more closely reflect the composition of the General Assembly and integrate different accounting systems. The Board's investigatory role in cases of fraud and mismanagement should be strengthened.

22. The Group of 77 and China agreed with the comments of the Joint Inspection Unit (JIU) in document A/51/674 and urged concrete action to be taken. In particular, immediate action should be taken with a view to ensuring the operational and budgetary independence of JIU and the Secretary-General should report thereon to the Fifth Committee at the current part of the resumed session in accordance with the mandate contained in General Assembly resolution 50/214, section III, paragraph 65. The Group of 77 and China would submit more detailed proposals in that connection during the informal consultations.

23. The distinct and separate functions of the external and internal oversight mechanisms, as stressed in resolutions 48/218 A and B and 50/233, should be clearly reflected in the resolution to be adopted by the Committee. Much remained to be done in order to strengthen the complementary role of those mechanisms.

24. Ms. SILOT (Cuba) said that the budgetary procedure outlined in General Assembly resolution 41/213 had been aimed at ensuring the financial stability of the Organization. That, however, was proving to be extremely difficult in view of the financial blackmail by the main contributor despite the commitments it had undertaken under the final three preambular paragraphs of that resolution. The lack of reports on the implementation of the resolution had also had an adverse impact on efforts to strengthen the Organization's effectiveness in dealing with political, economic and social issues, as called for in the resolution's fifth preambular paragraph. Her delegation questioned whether the consideration of items allocated to the Fifth Committee by the High-level Working Group on the Strengthening of the United Nations represented a proper and efficient utilization of conference resources, particularly since it was imperative to avoid duplication. Pointing to the danger that the High-level Working Group could take decisions which were actually contrary to those adopted by the General Assembly, she proposed that all administrative and budgetary questions currently addressed by the High-level Working Group, including the review of the efficiency of the administrative and financial functioning of the United Nations and human resources management, should be considered by the Fifth Committee during the resumed fifty-first session.

25. The concern of many Member States at the establishment of the Efficiency Board and its actions had led to the adoption of the fourth, fifth and sixth preambular paragraphs and paragraphs 16, 17 and 18 of General Assembly resolution 51/221 B. At a press conference held on 13 February 1997 following the adoption of the resolution, the Secretary-General had announced a package of measures for the replacement of the Efficiency Board. Her delegation requested the Secretariat to provide information on the current status of the Efficiency Board; the measures currently being implemented involving change in the

budgetary levels adopted in the context of the budget for the biennium 1996-1997 and the legislative mandates adopted, inter alia, under the item on the pattern of conferences; those measures which had a negative impact on Member States, including, in particular, the effect of the reduction in the volume of documentation on services provided to Member States; how the Secretariat planned to include the Office of Internal Oversight Services and the Office of Programme Planning, Budget and Accounts in management reforms and in ensuring adequate programme delivery and efficiency; how the new system of accountability and responsibility would be integrated in the current audits carried out with a view to improving efficiency; measures which had been adopted with a view to ensuring greater transparency in the Secretariat's efforts to improve efficiency; and how the efforts being carried out in the Secretariat took into account the decisions taken by the General Assembly endorsing the report of the Group of High-level Intergovernmental Experts contained in resolution 41/213, including whether any action taken which was contrary to those decisions. Her delegation requested the Secretariat to prepare a conference room paper which briefly summarized the principal actions taken, their impact in budgetary terms and their potential effect on any of the decisions adopted by the General Assembly. The entire reform exercise must be completely transparent and must lead to increased dialogue between the Secretariat and the Member States, within the framework of the prerogatives and responsibilities of each, consistent with the provisions of the relevant General Assembly resolutions.

26. During the current session, attention should be focused on strengthening external oversight mechanisms, pursuant to General Assembly decision 47/454 and a number of resolutions, including resolution 48/218 B. Priority should be accorded to strengthening the role, working methods and functioning of the external oversight mechanisms and providing them with the necessary human and financial resources to that end. In its overall consideration of the external oversight mechanisms, the Committee must view CPC as the main intergovernmental body responsible for programming, planning and coordination and assign it greater responsibility for reviewing and adapting the medium-term plan, in particular in the light of the plan's new format. Her delegation hoped that specific recommendations would be proposed with the aim of enhancing the role of CPC in system-wide evaluation and coordination. The effectiveness of its working methods and decision-making mechanism should also be thoroughly reviewed. Many of its failures were merely a reflection of the positions and lack of political will of some of the Member States.

27. The membership of the Board of Auditors should be expanded to include all regional groups and different accounting systems. Additional financial resources should be allocated to the Board in order to increase its audit coverage. The Board's role with respect to the Office of Internal Oversight Services must be strengthened. The Board should supervise the activities of the Office, particularly in cases where mismanagement and fraud had been reported.

28. The General Assembly must take specific action with regard to the composition and selection of inspectors of the Joint Inspection Unit; the Unit's budgetary and operational independence; and the strengthening of its secretariat in the light of paragraph 65 of section III of resolution 50/214.

29. Mr. RIVA (Argentina) expressed support for the statement made on behalf of the Group of 77 and China. The Committee's review of the report of the Joint Inspection Unit on common services at United Nations Headquarters (A/51/686, annex) was particularly important at a time of financial stringency. His delegation appreciated the independent opinion given by the Joint Inspection Unit, which would be a valuable tool in improving the management and working methods of the United Nations. While it was desirable to reduce costs through effective coordination, and by avoiding duplication, the provision of common services and premises could prove to be difficult in reality, for bureaucratic reasons, among others.

30. His delegation agreed with the Inspectors that there was apparently no obstacle to pooling non-statutory or non-core functions at Headquarters; nor did his delegation object to doing so progressively, as proposed in the report. Naturally, any change should take into account the cost-effectiveness of each service and evaluate its competitiveness with outside suppliers. It was important for the Assembly to include the question of General Services in the programme of institutional reform currently under way and to allow common services to become a component of the new management culture in the Secretariat. As common services at Headquarters should provide more coherent and effective support to the substantive activities of the Organization, the JIU recommendations on policy guidance, an implementation plan and enhancing the system-wide role of common services were timely. They should be considered in the light of the particular circumstances of each service, its pros and cons, and its priority status.

31. Mr. MARRERO (United States of America) said that his delegation had listened with great interest to the statements made on behalf of the Group of 77 and China and by the representative of Cuba. A number of their ideas for strengthening the Organization's oversight mechanisms merited serious consideration and his delegation was prepared to participate in a constructive discussion of them. At a meeting of the Committee the week before, his delegation had made a proposal for the further strengthening of the Advisory Committee on Administrative and Budgetary Questions, including the question of its composition. That proposal should be addressed in the context of the discussions requested by the Group of 77. Accordingly, he hoped that informal discussions would be organized at the earliest possible date.

The meeting rose at 4.20 p.m.